



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 19, 2011

### **H.R. 2150** **National Petroleum Reserve Alaska Access Act**

*As ordered reported by the House Committee on Natural Resources on July 13, 2011*

H.R. 2150 would require the Secretary of the Interior to conduct certain activities aimed at facilitating the development of oil and gas in the National Petroleum Reserve in Alaska (NPR-A). Based on information from the Department of the Interior and assuming appropriation of the necessary amounts, CBO estimates that implementing the legislation would cost \$2 million over the 2012-2013 period. Enacting H.R. 2150 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

The bill would require the United States Geological Survey (USGS) to complete a comprehensive assessment of oil and gas resources in the NPR-A. The agency recently completed many of the assessments that would be required under the bill. Based on information from the agency, CBO expects that, under the bill, USGS would need to complete two additional assessments. Based on information regarding the cost of similar USGS assessments and assuming appropriation of the necessary amounts, we estimate that those assessments would cost \$1 million a year for 2012 and 2013.

H.R. 2150 also would require the Bureau of Land Management (BLM) to conduct annual lease sales in the NPR-A. Historically, such sales have been held every two years; however, because the agency is planning to conduct annual sales beginning in 2011, CBO estimates that implementing this provision would not affect the federal budget.

Finally, the bill would require BLM to issue permits more quickly than required under current law for infrastructure projects related to the transport of oil in the NPR-A. Based on information from BLM, CBO estimates that implementing this provision would not affect the federal budget because the agency could meet the new requirement without hiring any additional staff.

H.R. 2150 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contacts for this estimate are Jeff LaFave and Dubary Brea. The estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.